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PROJECT NO. 52373

REVIEW OF WHOLESALE ELECTRIC MARKET DESIGN

PUBLIC UTILITY COMMISSION

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OF TEXAS

COMMISSION STAFF'S MOTION FOR GOOD CAUSE EXCEPTION

On July 30, 2021, Project No. 52373 was initiated for the purpose of considering changes to the wholesale electric market design in Texas. As part of this review, discussion has arisen regarding the Electric Reliability Council of Texas's (ERCOT) requirements under 16 Texas Administrative Code (TAC) § 25.507, which requires ERCOT to "procure ERS [Emergency Response Service], a special emergency response service that is intended to be deployed by ERCOT in an Energy Emergency Alert (EEA) event."

The Staff (Staff) of the Public Utility Commission of Texas now moves for good cause exception to the requirements of 16 TAC § 25.507.

I. MOTION FOR GOOD CAUSE EXCEPTION

Staff requests this good cause exception under 16 TAC § 25.3(b), which states that the "commission may make exceptions to this chapter for good cause." Here, Staff requests a good cause exception so that ERCOT may procure ERS that may be used *prior* to the declaration of an EEA, rather than being limited to use of the ERS *during* an EEA, as allowed by 16 TAC § 25.507(a). In order to effectively maintain the reliability of the electric grid, ERCOT must have the ability to initiate a response to an energy emergency before an EEA event is declared. Requiring ERCOT to withhold use of a key reliability tool until the onset of an emergency is detrimental to the safe and effective operation of the electric grid. Therefore, good cause exists to grant an exception to the requirements of 16 TAC § 25.507. Further, an imperative public necessity exists, under 16 TAC § 22.5(a), to direct ERCOT for the upcoming winter season to procure ERS that may be used to avoid an energy emergency.

II. CONCLUSION

Staff respectfully requests the issuance of an order granting Staff's motion for good cause exception to the requirements of 16 TAC §25.507.

Dated: October 27, 2021

Respectfully submitted,

PUBLIC UTILITY COMMISSION OF TEXAS LEGAL DIVISION

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CERTIFICATE OF SERVICE

I certify that, unless otherwise ordered by the presiding officer, notice of the filing of this document was provided to all parties of record on October 27, 2021 in accordance with the Order Suspending Rules filed in Project No. 50664.

/s/ Merritt Lander
Merritt Lander